

**SOUTH CAROLINA PUBLIC SERVICE COMMISSION  
DOCKET NO. 2002-1-E  
DIRECT TESTIMONY OF CAROLINA POWER & LIGHT COMPANY**

**WITNESS RONNIE M. COATS**

1    **Q.**    **Mr. Coats will you please state your full name, occupation, and address?**

2    **A.**    My name is Ronnie M. Coats. I am employed by Carolina Power & Light  
3           Company as Senior Fuels Coordinator. My business address is 411 South  
4           Wilmington St, Raleigh, North Carolina.

5    **Q.**    **Please summarize briefly your educational background and experience.**

6    **A.**    I graduated from North Carolina State University in 1967 with a B.S. Degree in  
7           Chemical Engineering. I also obtained a Master of Business Administration Degree  
8           from the University of North Carolina at Chapel Hill in 1989. I am a member of  
9           the American Institute of Chemical Engineers (AIChE) and Professional Engineers  
10          of North Carolina (PENC). I am a registered Professional Engineer in the state of  
11          North Carolina and South Carolina. I joined CP&L in 1968 and have held several  
12          engineering and management positions related to the design, construction, and  
13          operation of generating plants. These include: Principal Engineer, Manager of  
14          Generation Services, and Manager-Environmental Compliance. In December,  
15          2001, I assumed the position of Senior Fuels Coordinator in the System Resource  
16          Planning Section of Carolina Power and Light Company's System Planning and  
17          Operations Department. In my current position, I am responsible for maintaining  
18          an oversight of fuel planning and procurement activities related to CP&L's  
19          regulated fleet to ensure that a reliable and economical supply of fuel is available to  
20          meet the operating requirements of the regulated generating facilities.

1    **Q.     What is the purpose of your testimony here today?**

2    **A.     The purpose of my testimony is to review the operating performance of the**  
3           Company's generating facilities during the period of January 1, 2001 through  
4           December 31, 2001 and the expected operating performance of the nuclear units for  
5           the projected period April 1, 2002 to March 31, 2003.

6    **Q.     Describe the types of generating facilities owned and operated by CP&L.**

7    **A.     CP&L owns and operates a diverse mix of generating facilities consisting of hydro**  
8           facilities, combustion turbines, fossil steam generating facilities, and nuclear plants.

9    **Q.     Why does CP&L utilize such a diverse mix of generating facilities?**

10   **A.     Each type of facility has different operating and installation costs and is generally**  
11           intended to meet a certain type of loading situation. In combination, the diversity of  
12           the system, in conjunction with power purchases made when doing so is more cost-  
13           effective than using a CP&L generating unit, allows CP&L to meet the  
14           continuously changing customer load pattern in a reasonable, cost-effective manner.  
15           The combustion turbines, which have relatively low installation costs but higher  
16           operating costs, are intended to be operated infrequently. They also provide  
17           resources that can be started in a relatively short time for emergency situations. In  
18           contrast, the large coal and nuclear steam generating plants have relatively high  
19           installation costs with lower operating costs, and are intended to operate in a  
20           manner to meet the constant level of demand on the system. Based on the load level  
21           that CP&L is called on to serve at any given point in time, CP&L selects the  
22           combination of facilities which will produce electricity in the most economical

1 manner, giving due regard to reliability of service and safety. This approach  
2 provides for overall minimization of the total cost of providing service.

3 **Q. Please elaborate on the intended use of each type of facility CP&L uses to**  
4 **generate electricity.**

5 **A.** As a general rule, peaking resources such as combustion turbines, are constructed  
6 with the intention of running them very infrequently, i.e., only during peak or  
7 emergency conditions. Therefore, as a rule, they have a very low capacity factor,  
8 generally less than 10%. Because combustion turbines can be started quickly in  
9 response to a sharp increase in customer demand, without having to continuously  
10 operate the units, they are very effective in providing reserve capacity. Intermediate  
11 facilities are intended to operate more frequently and are subject to daily load  
12 variations. Because these facilities take some time to come from a cold shut down  
13 situation, they are best utilized to respond to the more predictable system load  
14 patterns. Additionally, these plants, located across the Company's service territory,  
15 contribute to overall system reliability. As a rule, they operate with capacity factors  
16 in the range of 10% to 60%. CP&L's intermediate facilities are predominately older  
17 coal plants. Baseload facilities are intended and designed to operate on a near  
18 continuous basis with the exception of outages for required maintenance,  
19 modifications, repairs, major overhauls, or for refueling in the case of nuclear  
20 plants. These plants are traditionally called on to operate in the 60% and greater  
21 capacity factor range. CP&L's four nuclear units and four larger coal units  
22 constitute the Company's baseload facilities.

1   **Q.**    How does CP&L ensure that it operates these three types of generating  
2           facilities as economically as possible?

3   **A.**    The Company has a central Energy Control Center which monitors the electricity  
4           demands within the CP&L service area. The Energy Control Center regulates and  
5           dispatches available generating units in response to customer demand.  
6           Sophisticated computer control systems match the changing load with available  
7           sources of power. Personnel at the Energy Control Center, in addition to being in  
8           contact with the Company's generating plants, are also in communication with other  
9           utilities bordering our service territory. In the event a CP&L plant is suddenly  
10          forced off-line, the interconnections with neighboring utilities help to ensure that  
11          service to our customers will go uninterrupted. Additionally, it allows CP&L  
12          access to the unloaded capacity of neighboring utilities so that CP&L customers  
13          will be served by the lowest cost power available through inter-utility purchases.

14   **Q.**    How does CP&L determine when it needs to purchase power?

15   **A.**    CP&L is constantly reviewing the power markets for purchase opportunities. We  
16          buy when there is reliable capacity available that is less expensive than the  
17          resources we currently have or are considering building. This is done on an hourly,  
18          daily, weekly, monthly, yearly, and multi-year basis.

19   **Q.**    When all available facilities are operating and more power is needed, what  
20          happens?

21   **A.**    There are several courses of action that could be taken. One is to go to the power  
22          markets for purchase opportunities. A second is to call on reserves from  
23          neighboring utilities. CP&L participates in the VACAR reserve sharing group.

1 VACAR is made up of several utilities in Virginia and the Carolinas. Each member  
2 of the group maintains a reserve of capacity that may be called on and scheduled to  
3 another member that is in need. If there is absolutely no power available, the only  
4 action remaining is to reduce the demand on the system to maintain the integrity of  
5 the interconnection. This is accomplished through the General Load Reduction Plan  
6 (GLRP). The plan begins with voltage reduction and customer appeals, progresses  
7 to interrupting curtailable industrial customers and then to rotating outages. CP&L  
8 makes every effort to avoid implementation of the GLRP by maintaining adequate  
9 reserve levels and maintaining the generation fleet for reliable operation.

10  
11 **Q. During the review period January 1, 2001 through December 31, 2001, did**  
12 **CP&L prudently operate its generating system within the guidelines discussed**  
13 **in regard to the three types of facilities?**

14 **A.** Yes. Two different measures are utilized to evaluate the performance of generating  
15 facilities. They are equivalent availability factor and capacity factor. Equivalent  
16 availability factor refers to the percent of a given time a facility was available to  
17 operate at full power if needed. Capacity factor measures the generation a facility  
18 actually produces against the amount of generation that theoretically could be  
19 produced in a given time period, based on its maximum dependable capacity.  
20 Equivalent availability factor describes how well a facility was operated, even in  
21 cases where the unit was used in a load following application. CP&L's combustion  
22 turbines averaged 87% equivalent availability for the twelve-month review period  
23 ending in December 2001, and 3% capacity factor indicating that they were almost

1 always available for use but operated minimally. This is consistent with their  
2 intended purpose. CP&L's intermediate, or cycling units, had an average equivalent  
3 availability factor of 92% and a capacity factor of 58%, again indicative of good  
4 performance and management. CP&L's fossil baseload units had an average  
5 equivalent availability of 91% and a capacity factor of 68%. Thus, the fossil  
6 baseload units were well managed and operated. CP&L's nuclear generation system  
7 achieved a net capacity factor of 89% for the twelve-month review period.  
8 Excluding outage time associated with reasonable refueling outages, the nuclear  
9 generation system's net capacity factor rises to approximately 101.9%. The Harris  
10 plant had a scheduled outage that involved both a refueling and steam generator  
11 replacements. The steam generator work required the removal and replacement of  
12 three steam generators that weigh over 375 tons each and stand over 83 feet tall.  
13 This outage lasted 103 days. Brunswick Unit 2 and Robinson Unit 2 had refueling  
14 outages, with duration's of 32 and 35 days respectively. These were very short  
15 outages, with the Brunswick 2 outage being the shortest ever for that unit. Also, I  
16 want to point out that in October, 2001, Brunswick Unit 1 set a new record for the  
17 longest continuous operation for a Boiling Water Reactor, breaking the previous  
18 record of 581 days held by Brunswick Unit 2. Brunswick Unit 1 continued its  
19 record run and on January 21, 2002, it surpassed the longest continuous operation  
20 for a light water reactor of 668 days. Therefore, pursuant to S.C. Code Ann. § 58-  
21 27-865(F), since the adjusted capacity factor exceeds 92.5%, CP&L is presumed to  
22 have made every reasonable effort to minimize the cost associated with the  
23 operation of its nuclear generation system.

1   **Q.    How did CP&L's nuclear production in 2001 compare to previous years?**

2   **A.**CP&L's nuclear generating plants during 2001, produced over 24 million  
3       megawatt-hours and provided 45% of the total electric generation. Brunswick Unit  
4       1 set a station generating record during the year, generating over 7 million  
5       megawatt-hours. It should be noted that CP&L's nuclear plants incurred 3  
6       refueling outages during 2001, compared to two refueling outages in 2000.

7   **Q.    You have not specifically addressed the performance of CP&L's hydro units.**  
8       **Please discuss their performance.**

9   **A.**The usage of the hydro facilities on the CP&L system is limited by the availability  
10       of water that can be released through the turbine generators. The Company's hydro  
11       plants have very limited ponding capacity for water storage. CP&L operates the  
12       hydro plants to obtain the maximum generation from them; but because of the small  
13       water storage capacity available, the hydro units have been primarily utilized for  
14       peaking and regulating purposes. This maximizes the economic benefit of the units.  
15       For the review period, the hydro units had an equivalent availability of 78% and  
16       operated at a capacity factor of 13%.

17  **Q.    How did the Company's fossil units perform as compared to the industry?**

18  **A.**Our fossil steam system operated well during this review period, achieving an  
19       equivalent availability of 92%. This exceeds the most recently published NERC  
20       average equivalent availability for coal plants of 84%. The NERC average covers  
21       the period 1996-2000 and represents the performance of 891 units. Equivalent  
22       availability is a more meaningful measure of performance for coal plants than  
23       capacity factor because the output of our fossil units varies significantly depending

1 on the level of system load. Our larger fossil units, Roxboro Units 2, 3, and 4 and  
2 Mayo Unit 1, operated at equivalent availabilities of 92%, 93%, 91%, and 90%,  
3 respectively. As I mentioned earlier, the baseload coal units achieved an average  
4 equivalent availability of 91%.

5 **Q: How did the performance of CP&L's nuclear system compare to the industry**  
6 **average?**

7 **A:** During the period January 1, 2001 through December 31, 2001, CP&L's pressurized  
8 water reactors ("PWRs"), Robinson Unit 2 and Harris Unit 1, achieved capacity  
9 factors of 92% and 71%, respectively. On average, these nuclear units operated at  
10 an 81% capacity factor during the test period. In contrast, the NERC five-year  
11 average capacity factor for 1996-2000 for all commercial PWRs in North America  
12 was 79%. Brunswick Units 1 and 2, which are both boiling water reactors  
13 ("BWRs"), achieved capacity factors of 102% and 92%, with an average of 97%.  
14 The NERC five-year capacity factor average for 1996-2000 for all BWRs was 71%.  
15 CP&L's nuclear system incurred a 0% forced outage rate during the test period  
16 compared to the industry average of 10%.

17 **Q. Are you presenting any exhibits with your testimony?**

18 **A.** Yes. Coats Exhibit No. 1 is a graphic representation of the Company's generation  
19 system operation for the twelve-month review period.

20 **Q. Please describe the projected performance of CP&L's nuclear system for the**  
21 **time period April 1, 2002 through March 31, 2003.**

22 **A.** Including the impact of planned refueling outages, I project that CP&L's nuclear  
23 units will achieve an average net capacity factor of 93% during this period.



1 Q. Does this conclude your testimony?

2 A. Yes.

1 Q [Mr. Austin] Mr. Coats, would you give us a summary of  
2 your testimony?

3 A Yes. The purpose of my testimony is to review the  
4 operating performance of the Company's generating  
5 facilities during the calendar year 2001, and the  
6 expected operating performance of the nuclear units for  
7 the projected period April 2002 through March 2003.

8 During 2001, the CP&L generation system performed  
9 extremely well. Our nuclear units had an average net  
10 capacity factor of 89% over the review period without  
11 adjustments to reflect reasonable outages such as  
12 refueling outages. During 2001, three of our nuclear  
13 units had refueling outages. At our Harris Plant, the  
14 refueling outage also included the replacement of the  
15 steam generators. Adjusting for these reasonable  
16 refueling outages, our nuclear capacity factor rises to  
17 101.9%, which exceeds the 92.5% standard established by  
18 South Carolina general statute.

19 Our fossil plants also operated well and had an  
20 equivalent availability factor of over 92%. Our plant  
21 performance achievements demonstrate excellent and  
22 prudent plant operations. For the projected period  
23 during which the rates established in this proceeding  
24 will be in effect, I estimate CP&L's nuclear units will

1 achieve an average net capacity factor of 93%.

2 That concludes my summary.

3 MR. AUSTIN: Mr. Chairman, we tender  
4 the witness.

5 CHAIRMAN SAUNDERS: Mr. Elam?

6 MR. ELAM: No questions

7 CHAIRMAN SAUNDERS: Ms. Belser?

8 MS. BELSER: Thank you, Mr. Chairman.

9 CROSS EXAMINATION BY MS. BELSER:

10 Q Good morning, Mr. Coats.

11 A Good morning.

12 Q Mr. Coats, do you have a copy of your testimony with you?

13 A Yes, I do.

14 Q Would you turn to page five?

15 A [Examining] Okay.

16 Q At the top of page five, in response to a question on  
17 page four, you talk about the General Load Reduction  
18 Plan.

19 A Yes, ma'am.

20 Q Was the General Load Reduction Plan utilized during the  
21 review period, to your knowledge?

22 A To my knowledge it was not used during the review period.

23 Q Okay. But the Plan — could you explain the Plan, how it  
24 works as far as — I'm looking at lines six and seven,

1 the sentence that says, 'The Plan begins with voltage  
2 reduction and customer appeals'. What exactly is that?

3 A Yes, ma'am. The purpose of the Plan would be, if we were  
4 in a situation where there was more demand than we could  
5 provide, it provides a mechanism for dealing with that  
6 and it's a tiered approach. One of the first approaches  
7 is to make an appeal to customers to cut back on their  
8 usage so as to lower the demand. A second step would be  
9 that we can actually lower our system voltage slightly,  
10 and that also lowers the demand requirements on the  
11 system. So it's a tiered approach that accomplishes  
12 that.

13 Q And the next tier would be Interruptible Customers,  
14 interrupting them.

15 A You could go to the point of Interruptible Customers and  
16 eventually to curtailment if that were required.

17 Q Are you aware at any point during the review period that  
18 it was necessary to interrupt power to those customers  
19 under the Interruptible Tariff?

20 A I am not aware of whether that was necessary or not  
21 during the review period.

22 Q Okay. And then the final tier is what you called  
23 rotating outages, is that correct?

24 A Yes, ma'am.

1 Q Is that similar to those rolling blackouts we heard about  
2 in California last year?

3 A It would have a similar affect, yes, ma'am, of  
4 selectively reducing loads for short — or selectively  
5 cutting off loads for short periods of time in certain  
6 areas and rotating it around.

7 Q Okay. And that was not necessary during this review  
8 period?

9 A No, it was not.

10 Q Just for information, do you recall any time in the near  
11 past that CP&L has had to utilize those rotating outages?

12 A I do not recall a time that we've had to utilize the  
13 rotating outages.

14 Q Okay. I'm looking at page eight of your testimony. The  
15 question is on line 20, and it's related to the projected  
16 performance from April 2002 to March 2003, and in  
17 response to that question, you state that you project  
18 CP&L's nuclear units will achieve an average net capacity  
19 factor of 93%.

20 A Yes, ma'am.

21 Q How did you reach that projected net capacity factor?

22 A That projection is based on looking at the period in  
23 question, uplining an operating factor for the time  
24 period that the nuclear units would be running, and we

1 basically assume 100% for that time that they would be on  
2 line and taking away from that period any scheduled  
3 nuclear outages.

4 During this future period, we are scheduled for two  
5 nuclear refueling outages, as opposed to three, as I  
6 indicated we have had in the test period for this time.

7 A Okay. Thank you very much.

8 MS. BELSER: That's all I have, Mr.  
9 Chairman.

10 CHAIRMAN SAUNDERS: Commissioners?  
11 Commissioner Carruth?

12 COMMISSIONER CARRUTH: Thank you, Mr.  
13 Chairman.

14 EXAMINATION BY VICE CHAIRMAN CARRUTH:

15 Q Good morning, Mr. Coats.

16 A Good morning.

17 Q Mr. Coats, in your testimony — and this is something  
18 that Ms. Belser alluded to a minute ago when she went  
19 over your page four and page five of your testimony —  
20 I'm at the bottom of four and going onto the top of five  
21 down to the middle of the page. In that section you have  
22 essentially indicated that when you run out of power, as  
23 far as what you can generate that you still need to serve  
24 load, what the steps are that you undergo and what you've

1 got recourse to in the way of attempting to reduce demand  
2 on the one side for it, or increase your supply of it by  
3 procuring it from other sources; and you've gone into  
4 neighboring utilities, VACAR, kind of a hierarchy of  
5 things. Given the discussion recently in the context of  
6 FERC and RTOs and pertinent considerations having to do  
7 with reserved capacity and whether or not reserved  
8 capacity of our utilities is adequate, do you have  
9 anything, any opinion, on that or any information to  
10 deliver to us concerning reserved capacity and the  
11 contingencies that you speak of, how remote is the  
12 likelihood that you may have recourse to go through the  
13 tier, and what your experience has been over time?

14 A Yes, sir. We have an active planning process in place  
15 and it's our intent in that planning process to ensure  
16 that we have capability to meet projected load that we  
17 foresee and, you know, those plans are in place out to  
18 ten years in advance. We're comfortable right now that  
19 our reserve margins are adequate. The contingency plan  
20 that's referred to here in my testimony is certainly a  
21 plan that could be called upon if you had a very unusual  
22 set of circumstances, perhaps of extreme weather, as well  
23 as some forced outages on some units, but from a planning  
24 point of view we're confident that our reserves will be

1       adequate for the future.

2   Q     And what is that figure right now for your system?

3   A     The exact figure, I don't have in mind. We're somewhere  
4       in the area of 15 to 16%, I believe, but that's subject  
5       to check.

6   Q     And you would say, given that and what your experience  
7       has been over time, you would expect it to remain a  
8       rather remote possibility that any of this tier would be  
9       gone into to meet what your demands might be, given what  
10      your ability to serve your load —

11  A     To go into the full tier, yes, sir. Getting to a point  
12      perhaps of a customer appeal or a voltage reduction where  
13      that's the economical thing to do, you know, that's not  
14      unforeseeable, but getting to the stage of actually  
15      having to have rotating outages, I think would be a very  
16      remote possibility.

17  Q     Thank you very much, Mr. Coats.

18                       COMMISSIONER CARRUTH: Mr. Chairman,  
19                       that's all I have for this witness.

20                       CHAIRMAN SAUNDERS: Commissioner  
21                       Atkins?

22  EXAMINATION BY COMMISSIONER ATKINS:

23  Q     Good morning, Mr. Coats. How are you?

24  A     Good morning.



1 Q Let me begin by apologizing for coming in late. I got  
2 caught up.

3 On page four of your prefiled testimony, lines 15  
4 and 16 and 17, you state there in regards to the need to  
5 purchase power that CP&L was constantly reviewing the  
6 power markets for purchase opportunities. *'We buy when*  
7 *there is reliable capacity available that is less*  
8 *expensive than the resources that we currently have or*  
9 *are considering building.'* I don't know if this is in  
10 some of the other testimony or not, but I want to ask  
11 you, do y'all have an avoided cost by category? For  
12 example, for baseload or intermediate shoulder or  
13 peaking? And then, of course, in the next line, you talk  
14 about, you know, anywhere from hourly to multi-year,  
15 either short or long contracts. Do y'all have those  
16 numbers that you can make available to the Commission?

17 A I'm not sure what's available that has not been provided  
18 to the Commission. I can assure you that on a day to  
19 day, hour by hour operating basis as we're making those  
20 purchase power decisions we're making them against  
21 knowledge of what our current cost at that point is and  
22 that cost would be changing every moment and every hour,  
23 and then we would, if there is power on the market — we  
24 have people who are surveying this constantly — if we

1 have a choice or an option of procuring power at a rate  
2 that would be cheaper than what our next increment to  
3 generate would be, then we would make those purchases.  
4 And that's done on a continuous basis throughout the day.

5 Q I guess I asked that because again, kind of following  
6 along Commissioner Carruth's question, there's the idea  
7 of — as we have folks who come in and are trying to  
8 promote a wholesale generation market here within VACAR  
9 and SERC, as far as that goes, that they've given us  
10 certain data that shows what those costs would be based  
11 on the type of facilities and the capacity factor of the  
12 plants and those kinds of things; and that's what I was  
13 trying to get at to get some reasonableness of how y'all  
14 would fare in terms of your purchases versus some of the  
15 opportunities within the wholesale market, given that we  
16 know what their prices are, *quote, unquote*.

17 A Well, I think if we had a situation where we were looking  
18 to add additional capability, we could certainly look at  
19 our cost versus what may be available elsewhere and make  
20 the proper economic decision, and we would certainly  
21 prefer to be in a situation where we have the flexibility  
22 of looking at those situations and coming to the  
23 conclusion or the decision that's best for our overall  
24 economics and the overall economics of our customers.

1 Q I guess my last question, again on the top of page five  
2 you mention VACAR, but you don't mention SERC, so can you  
3 explain why you don't look to SERC for power?

4 A VACAR is a subregion of SERC and we have some standing  
5 agreements with some of the utilities, or with the other  
6 utilities that are in VACAR. They're neighbors, so to  
7 speak, and that's typically the first place you would  
8 look. We're not limited to that and we certainly have in  
9 times past had transactions with SERC and have gone  
10 outside of SERC where it was economical to do so to make  
11 a purchase.

12 Q So actually to the Midwest or —

13 A Well, you run into some limits the further out you go,  
14 just the ability to move power, but we have, up and down  
15 the east coast, we've been able to make transactions with  
16 a number of utilities, some of which are outside of SERC.

17 Q Okay. Thank you. I appreciate it.

18 COMMISSIONER ATKINS: Thank you, Mr.  
19 Chairman.

20 CHAIRMAN SAUNDERS: Mr. Austin?

21 MR. AUSTIN: We have no redirect, Mr.  
22 Chairman.

23 CHAIRMAN SAUNDERS: You may step  
24 down, sir.

1 MR. AUSTIN: Our next witness would  
2 be Mr. Larry Washington.

3 WHEREUPON: LARRY A. WASHINGTON,  
4 FIRST BEING DULY SWORN, ASSUMES THE STAND  
5 AND TESTIFIES AS FOLLOWS:

6 DIRECT EXAMINATION BY MR. AUSTIN:

7 Q Please give us your name and business address.

8 A My name is Larry Washington. My business address is  
9 411 South Wilmington Street, Raleigh, North Carolina.

10 Q Mr. Washington, by whom are you employed and in what  
11 capacity?

12 A I am employed by CP&L. I am Manager of Fuel Accounting.

13 Q In connection with this proceeding, did you prepare and  
14 cause to be prefiled testimony consisting of three pages  
15 in question and answer form?

16 A Yes, I did.

17 Q Do you have any corrections or additions to the  
18 testimony?

19 A No, I do not.

20 Q If I were to ask you the questions contained therein,  
21 your answers would be the same?

22 A Yes.

23 MR. AUSTIN: Mr. Chairman, we would  
24 ask at this time that Mr. Washington's

1 testimony prefiled with the Commission be  
2 copied into the record as if given orally  
3 from the stand.

4 CHAIRMAN SAUNDERS: It will be  
5 admitted as if read, sir.

6 Q I believe you had one exhibit that accompanied your  
7 testimony?

8 A Yes, sir.

9 Q Did you prepare that exhibit or cause it to be prepared  
10 under your supervision?

11 A Yes, sir.

12 MR. AUSTIN: Mr. Chairman, we would  
13 ask at this point that Mr. Washington's  
14 exhibit be received as the next Hearing  
15 Exhibit.

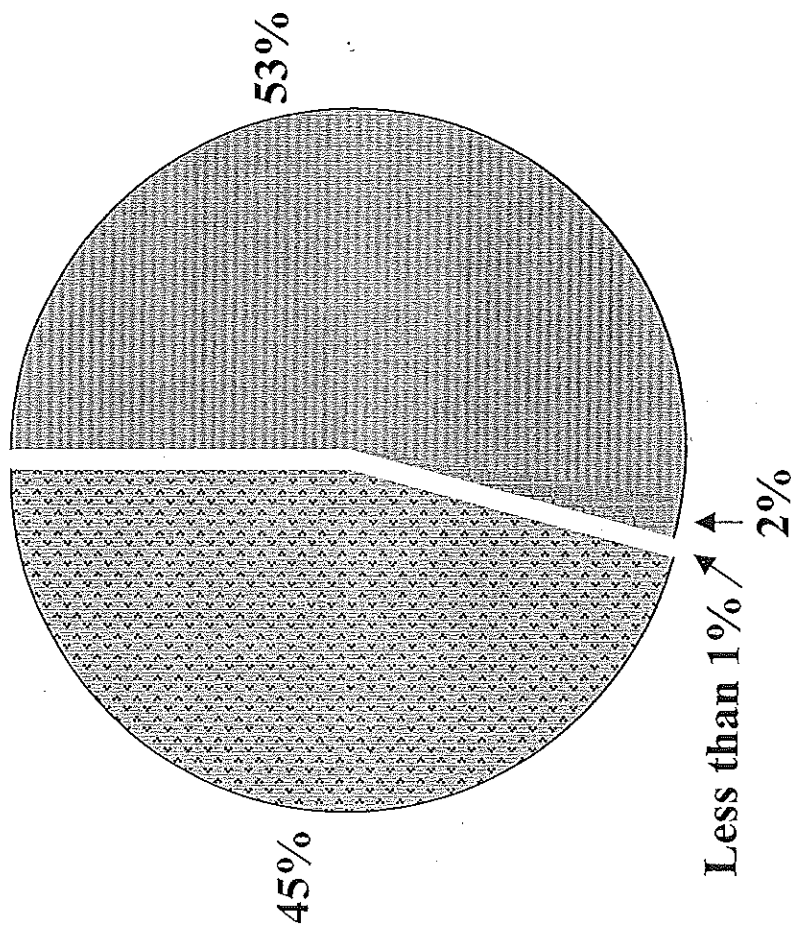
16 CHAIRMAN SAUNDERS: It will be  
17 Hearing Exhibit #2 and entered into the  
18 evidence of this case.

19 [HEARING EXHIBIT #2 MARKED FOR  
20 IDENTIFICATION AND ACCEPTED INTO EVIDENCE]

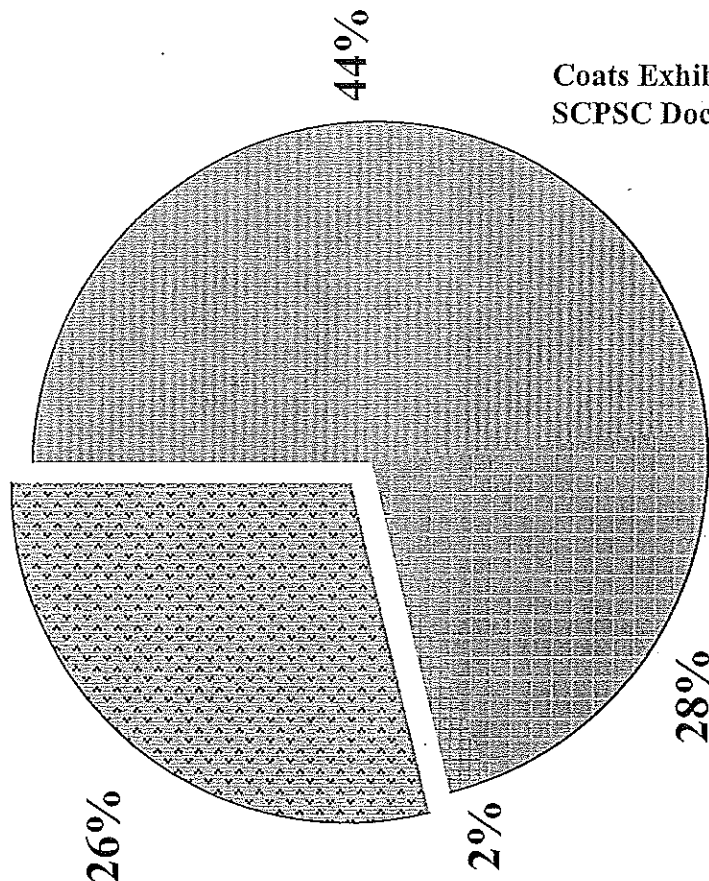
21 [PREFILED TESTIMONY OF  
22 LARRY A. WASHINGTON FOLLOWS]:

# Comparison of CP&L Installed Generating Capacity to Actual Generation Mix January through December 2001

Generation Mix



Installed Capacity



 Coal
  Oil & Gas
  Hydro
  Nuclear

Coats Exhibit No. 1  
SCPSC Docket No. 2002-1-E

